

New York State Assembly

Annual Report

2024

Committee on
Small Business



Speaker Carl E. Heastie
Carrie Woerner, Chair



CARRIE WOERNER
Assemblywoman 113th District
Saratoga County
Warren County
Washington County

THE ASSEMBLY
STATE OF NEW YORK
ALBANY

CHAIR
Standing Committee on
Small Business

COMMITTEES
Agriculture
Local Governments
Racing and Wagering
Small Business
Tourism, Parks, Arts and
Sports Development

MEMBER
Commission on Rural Resources
Legislative Women's Caucus
Task Force on Women's Issues

December 15, 2024

Honorable Carl E. Heastie, Speaker
New York State Assembly
Legislative Office Building, Room 932
Albany, New York 12248

Dear Speaker Heastie:

I am pleased to submit the 2024 Annual Report of the Assembly Standing Committee on Small Business. It has been an honor to lead the Committee during my inaugural Legislative Session as Chairwoman, working on policy and budget solutions for small businesses struggling through tough economic times due to the COVID-19 pandemic, supply chain disruptions, and employee shortages.

The Enacted State Fiscal Year 2024-25 Budget invests in programs that support small business and encourages innovation that will help rebuild New York's economy. Included in the enacted budget is: \$15 million in total support for the Centers for Advanced Technology and \$14 million in total support for each of the Centers of Excellence; \$12 million for the new Small Business Innovation Research (SBIR) program grants; and \$4.5 million for the Entrepreneurial Assistance Program (EAP).

I join my colleagues in commending you for your continued commitment to supporting small businesses. The Committee looks forward to a productive legislative session so we can continue to rebuild and create a healthy environment for small businesses to thrive across New York State.

Sincerely yours,

Carrie Woerner
Member, New York State Assembly
113th Assembly District
Saratoga, Warren & Washington Counties

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**2024
ANNUAL REPORT**

**NEW YORK STATE ASSEMBLY
STANDING COMMITTEE ON SMALL BUSINESS**

**Carrie Woerner
Chairwoman**

Committee Members

Majority

Monique Chandler-Waterman
Sarah Clark
Landon Dais
Taylor Darling
Manny De Los Santos
Inez Dickens
Emily Gallagher
Chantel Jackson
Billy Jones
Jenifer Rajkumar
John Zaccaro

Minority

Scott Bendett
Ari Brown
Marjorie Byrnes
John McGowan
Michael Novakhov

Staff

Fletcher Whyland, Assistant Secretary for Program and Policy
Paige Pomerantz, Analyst
Payton Johnson, Program and Counsel Secretary
Nicole Clarke, Committee Clerk

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I. INTRODUCTION, COMMITTEE JURISDICTION AND ACTIVITY

Small businesses are defined in State law as those businesses employing 100 or fewer people. According to Empire State Development in the most recent Annual Report on the State of Small Business, New York State small businesses comprise 98 percent of the State's established firms and an estimated 40 percent of the state workforce. Just about all industries in the state are represented by small businesses, including trade, professional services, leisure activities, construction, financial services, health care, manufacturing, transportation, information, and education. The annual report reflects the Committee's continuing efforts to help New York's small businesses.

New York's small businesses are integral to the State's economy, but the effects of pandemic, supply chain disruptions, and inflation are proving to be difficult for many businesses across the State. In last year's and again in this year's enacted budget, the State Legislature has created funding programs to help small businesses through various funding programs and statutory changes. Additionally, the Committee continues to promote budget programs and legislation that will improve access to credit, financial programs and technical assistance services for small businesses of all kinds, including minority-, women-, and veteran-owned businesses.

The Committee also works closely with several State agencies and entities to ensure they serve the needs of the small business community. This includes the Department of Economic Development and the Empire State Development Corporation, which are the State's chief economic development entities.

II. 2024-2025 SMALL BUSINESS BUDGET OUTCOME

In the most recently enacted state budget, the Committee on Small Business supported key initiatives to boost New York's economy, create jobs, and facilitate opportunities for small businesses and entrepreneurs. The following are budget highlights that affect small businesses in New York State:

The enacted State Budget provided an All Funds appropriation of \$105.3 million, an increase of \$4.9 million over the Executive proposal, for the Department of Economic Development.

Further, the budget provided an All Funds appropriation of \$2.3 billion, an increase of \$86.7 million over the Executive proposal, for the Urban Development Corporation. The following are highlights of some of the programs that are funded to promote economic development and small businesses in New York via the State Fiscal Year 2024-2025 Budget:

- **Highlighted Economic Initiatives**

- \$250 million to support the redevelopment of underutilized sites for housing development (NY-RUSH);
- \$250 million for Launch NY AI Consortium program; and
- \$500 million for the Albany Nanotech Ultraviolet Lithography Center (NY Creates).

- **Workforce Development**

- \$208.36 million to support the Office of Workforce and Economic Development at Empire State Development to provide resources to: leverage Empire State Development's relationships with employers to help identify employer needs; develop tailored regional training strategies; support programs to train New Yorkers in the skills necessary to succeed in in-demand fields; make targeted investments in teachers, healthcare workers, apprenticeships and internships, mental health professionals, and caregivers; and the inclusion of the new ON-RAMP training initiative. The following is a breakdown of this allocation:

- \$13 million for the new ON-RAMP initiative;
- \$10 million for internships at the State University of New York (SUNY) and the City University of New York (CUNY);
- \$5 million for apprenticeships at SUNY and CUNY; and
- \$1 million for the expansion of the SUNY Pre-Medical Opportunities Program.

- \$4 million for the Empire State Entertainment and Diversity Training.

- **University-Based Programs:**

- \$15 million in total support for the Centers for Advanced Technology (CATs). The CATs collaborate with New York companies on the development of new technologies and products and create new businesses and high-quality jobs throughout the State.

- \$14 million in total support for each of the Centers of Excellence (CoEs). The CoEs collaborate with New York companies in commercializing scientific discoveries in fields such as nanoelectronics, bioinformatics, photonics, environmental systems, wireless applications, and information technology. Also, several CoE programs received funding as follows:
 - \$1 million to the University at Albany CoE in data science in atmospheric and environmental prediction and innovation;
 - \$1 million to New York Medical College to create and operate a CoE in Precision Responses to Bioterrorism and Disaster;
 - \$1 million to the Clarkson - SUNY ESF CoE in Healthy Water Solutions;
 - \$250,000 for an Eastern NY satellite for Cornell's CoE in Agricultural Innovation; and
 - \$250,000 for a new CoE in RNA Research and Therapeutics at the University of Rochester.
- \$1.503 million for SUNY Polytechnic Institute College of Nanoscale Science and Engineering and Rensselaer Polytechnic Institute Focus Center;
- \$1.503 million for Rensselaer Polytechnical Institute Focus Center; and
- \$1 million University of Rochester Laser Energetics Program.
- \$1 million for Stony Brook Medicine's National Cancer Institute.

- **General Economic Development:**

- \$400 million for the New York Works Economic Development Fund;
- \$100 million for FAST-NY shovel ready site program;
- \$50 million for the Restore New York Communities Initiative;
- \$45 million for economic development initiatives of the State for promoting tourism and expanding business investment and job creation and retention;
- \$26.18 million for the Empire State Economic Development Fund;
- \$20 million for the Grown and Certified Program
- \$15 million for the Market New York Program; and
- \$7.5 million for retention of professional football in western New York.

- **Business Assistance:**

- \$15.470 million for the Manufacturing Extension Partnership Program;
- \$12 million for the High Technology Matching Grants Program which includes Security Through Advanced Technology (START) initiative, the Small Business Innovation Research (SBIR) program, and the Small Business Technology Transfer (STTR) program;
- \$5 million for the New York State Innovation Hot Spots/ New York State Incubators;
- \$4.5 million for the Entrepreneurial Assistance Program (EAP);
- \$4 million for the Global Entrepreneurs In Residence program;

- \$1.382 million for the Technology Development Organizations (TDO);
- \$1.495 million for the Community Development Financial Institutions (CDFI) Program;
- \$1 million total for the Minority- and Women-Owned Business Development and Lending Program and for Minority- and Women-Owned Business Development;
- \$921,000 for the Industrial Technology Extension Service Program;
- \$343,000 Science and Technology Law Center; and
- \$3.404 million for the Urban and Community Development Program.

- **Commerce, Regional Economic Development, Trade and Tourism:**

- \$10 million for redevelopment of the Hunts Point Meat Market;
- \$10 million for the Universal Hip Hop Museum;
- \$10 million for the MiSci Museum of Innovation and Science;
- \$10 million for the NY-FIRST program;
- \$10 million for the American Museum of Natural History;
- \$10 million for the Brooklyn Museum;
- \$6 million for the Kingston Bulkhead Improvements on Rondout Creek; and
- \$5 million for arts and cultural venues of Alive Downtowns!;
- \$5 million for the PACE Performing Arts Center;
- \$3.5 million for the Hispanic Federation;
- \$3.4 million for local tourism promotion matching grants program;
- \$1.4 million for CenterState CEO Strategic Economic Development;
- \$1 million for the Brooklyn Academy of Music;
- \$1 million for various legislative Initiatives;
- \$800,000 for the Brooklyn Alliance;
- \$750,000 for the Rochester Monroe County Anti-Poverty Initiative;
- \$700,000 for the Bronx Overall Economic Development Corporation;
- \$650,000 for the Queens Chamber of Commerce;
- \$500,000 for the Niagra Military Affairs Council;
- \$350,000 for CNY on Camera;
- \$300,000 for the Finger Lakes Tourism Alliance;
- \$300,000 for the New York Women's Chamber of Commerce;
- \$300,000 for the Adirondack Sports Council;
- \$225,000 for the North Country Chamber of Commerce;
- \$150,000 for the Association of Community Employment Programs;
- \$150,000 for the Bronx Chamber of Commerce;
- \$150,000 for the Greater Harlem Chamber of Commerce;
- \$150,000 for Harlem Week;
- \$150,000 for the Historic Hudson River's Partnership - Champlain Canal Region Gateway Visitors Center;
- \$150,000 for the Manhattan Chamber of Commerce;
- \$150,000 for the Queens Economic Development Corporation;
- \$150,000 for the Staten Island Chamber of Commerce;
- \$150,000 for Syracuse JazzFest Productions, Inc.;
- \$140,000 for the Kingsbridge-Riverdale-Van Cortlandt Development Corporation;

- \$125,000 for ArtsNY, Inc.;
- \$100,000 for the Adirondack North Country Association (ANCA);
- \$100,000 for Arts Services Initiative of Western New York, Inc.;
- \$100,000 for the Brooklyn Neighborhood Improvement Association;
- \$100,000 for the Buffalo Niagara Partnership;
- \$100,000 for Downtown Syracuse Foundation, Inc.;
- \$75,000 for the People's Theater Project;
- \$75,000 for the Yonkers Downtown Waterfront Business Improvement Association;
- \$65,000 for the Buffalo Heritage Carousel, Inc.;
- \$50,000 for the Amherst Chamber of Commerce;
- \$50,000 for the Business Council of Westchester;
- \$50,000 for the Cayuga County Chamber of Commerce;
- \$50,000 for the Columbia County Chamber of Commerce;
- \$50,000 for the Cortland Area Chamber of Commerce; and
- \$50,000 for the Dutchess County Chamber of Commerce;
- \$50,000 for the Greater Binghamton Chamber of Commerce;
- \$50,000 for the Greater Rochester Chamber of Commerce;
- \$50,000 for the Greene Chamber of Commerce;
- \$50,000 for the Hampton Bays Chamber of Commerce;
- \$50,000 for the Orange County Chamber of Commerce;
- \$50,000 for the Staten Island Economic Development Corporation;
- \$50,000 for the Suffolk County Alliance of Chambers;
- \$50,000 for the Tompkins County Chamber of Commerce; and
- \$50,000 for the Ulster County Regional Chamber of Commerce.

Regional Economic Development Councils

The 10 Regional Economic Development Councils (REDCs) of New York State, which include community, business, academic leaders, and members of the public in each region, use their knowledge and understanding of local priorities and assets to help direct state investment in support of job creation and economic growth. REDCs have developed and implemented comprehensive Strategic Plans for their respective regions and regularly issue updated plans. These plans play an important role in determining how millions of dollars in existing economic aid are awarded through the State's Consolidated Funding Application (CFA).

- \$150 million for REDC grants program.
- \$200 million for a seventh round of the Downtown Revitalization Initiative (DRI) to be used to revitalize downtowns areas in each of the 10 economic regions of the State. Funds are to be distributed as follows:
 - \$100 million for main street redevelopment programs; and
 - \$100 million for the NY Forward grant program to support redevelopment in smaller and more rural areas.

Article VII – Economic Development

In the 2024-2025 enacted State budget:

- The Legislature modified the Executive proposal to extend the general loan powers of the Urban Development Corporation by providing a one-year extension to July 1, 2025.
- The Legislature modified the Executive proposal to extend the authorization of the Urban Development Corporation to administer the Economic Development Fund by providing a one-year extension to July 1, 2025.
- The Legislature included the Executive proposal to increase the Entrepreneurial Assistance Centers grant cap from \$175,000 to \$250,000.
- The Legislature provided that Regional Economic Development Council awardees may voluntarily certify to the Empire State Development Corporation if they offer internships.

III. ISSUES BROUGHT THROUGH COMMITTEE IN 2024

- **Financial Assistance to Small Businesses for Pollution Prevention**
(A.4503-A Stirpe; Ways and Means)

This bill would create a new Small Business Environmental Fund capitalized with funds from the Economic Development Fund to assist small businesses in leveraging capital from financial institutions for the purposes of complying with environmental laws or preventing pollution.

- **Small Businesses Grants to Commercialize Energy and Environmental Technology Innovations**

(A.7307-A Solages; Ways and Means)

This bill would provide small businesses with capital grants to commercialize energy and environmental technology innovations and ideas in-state to stimulate economic development.

- **Regulatory Fines Cure Period**

(A.9966 McDonald; Chapter 252 of the Laws of 2024)

This law extends chapter 731 of the laws of 2019 relating to reducing minor regulatory fines for small businesses for another three years.

- **Small Business Energy Conservation Ombudsman Program**

(A.9970 Woerner; Passed Assembly)

This bill would establish the small business energy conservation ombudsman program to represent small businesses on issues relating to state energy policy and the goals of the climate leadership and community protection act.

- **Creating an I Love NY Historic Small Business Niche Brand**

(A.10036 Woerner; Chapter 635 of the Laws of 2024)

This law creates an "I Love NY Historic Small Business" niche brand to highlight small businesses listed on the registry of historic businesses.

IV. PUBLIC OUTREACH

Oversight of Economic Programs funded in the enacted 2024-2025 State Budget

On October 8, 2024, the Committees on Economic Development and Small Business held a hearing to examine the impact and effectiveness of the economic development programs funded in the enacted 2024-2025 State Budget.

This hearing sought to provide Committee Members with information related to the effectiveness of State funded economic development programs as they relate to promoting an equitable and inclusive economy and ensuring that such programs are meeting the needs of businesses, the workforce, and communities historically or currently disproportionately impacted by economic pressures. The hearing also examined how programs can be improved to provide a greater economic impact across the State and enhance their impact in promoting equitable and inclusive policies.

V. OUTLOOK FOR 2025

The Small Business Committee's support for New York's small businesses is unwavering. The Committee will continue to address the needs of small businesses, minority- and women-owned business enterprises (MWBE), and veteran-owned businesses, creating a supportive environment that encourages their growth, expansion, and stability here in New York.

The priorities of the Committee include ensuring that the state pursue policies and funding that promote long-standing New York businesses as well as the smallest of small businesses – those with ten or fewer employees. In addition, the Committee focuses on increasing access to capital and the expansion of MWBEs while supporting the development and commercialization of innovative new technology, adoption of alternative energy and energy conservation, workforce and economic development, improving contracting opportunities with State and local governments, veterans' business assistance, immigrant-owned business assistance, continuing to help small businesses recover from the effects of the pandemic and persistent inflation concerns, and supporting the economic growth of small businesses through New York's rich history and tourism attractions.

APPENDIX A

2024 SUMMARY OF ACTION ON ALL BILLS REFERRED TO THE COMMITTEE ON SMALL BUSINESS

TOTAL NUMBER OF COMMITTEE MEETINGS HELD 1

<u>2024 Summary Sheet</u>			
<u>BILLS REPORTED FAVORABLE TO:</u>			
<u>BILLS REPORTED FAVORABLE TO:</u>	<u>Assembly Bills</u>	<u>Senate Bills</u>	<u>Total</u>
<u>Codes</u>	1	0	1
<u>Judiciary</u>	0	0	0
<u>Ways and Means</u>	3	0	3
<u>Rules</u>	0	0	0
<u>Floor</u>	1	0	1
<u>TOTAL</u>	5	0	5
<u>COMMITTEE ACTION</u>			
<u>Held For Consideration</u>	1	0	1
<u>Defeated</u>	0	0	0
<u>Enacting Clause Stricken</u>	0	0	0
<u>REMAINING IN COMMITTEE</u>	9	1	10
<u>BILLS REFERENCE CHANGED TO</u>			
<u>Ways and Means</u>	1	0	1
<u>TOTAL</u>	1	0	1

APPENDIX B

COMMITTEE ON SMALL BUSINESS
Chapters/Vetoes of 2024

CHAPTER	ASSEMBLY BILL (SPONSOR)	SENATE BILL (SPONSOR)	DESCRIPTION
Chapter 252	A.9966 (McDonald)	S.9392 (Ryan)	This law extends chapter 731 of the laws of 2019 relating to reducing minor regulatory fines for small businesses for another three years.
Chapter 635	A.10036 (Woerner)	S.9268 (Ryan)	This law creates an "I Love NY Historic Small Business" niche brand to highlight small businesses listed on the registry of historic businesses.

APPENDIX C

COMMITTEE ON SMALL BUSINESS
Additional Bills Reported in 2024

ASSEMBLY BILL (SPONSOR)	LAST ACTION	DESCRIPTION
A.4503-A (Stirpe)	Ways and Means	This bill would create a new Small Business Environmental Fund capitalized with funds from the Economic Development Fund (to assist small businesses in leveraging capital from financial institutions for the purposes of complying with environmental laws or preventing pollution.
A.7307 (Solages)	Ways and Means	This bill would provide small businesses with capital grants to commercialize energy and environmental technology innovations and ideas in-state to stimulate economic development
A.9970 (Woerner)	Passed Assembly	This bill would establish the small business energy conservation ombudsman program to represent small businesses on issues relating to state energy policy and the goals of the climate leadership and community protection act.

APPENDIX D

NYS Assembly Resolution: Small Business Week - Sponsored by Assemblywoman Carrie Woerner, Chair of the Small Business Committee

MEMORIALIZING Governor Kathy Hochul to proclaim April 28-May 4, 2024, as Small Business Week in the State of New York.

WHEREAS, From Montauk to Buffalo, Plattsburgh to Binghamton and every community in-between, small businesses are the heart of our communities and the American economy, employing more than half of our Nation's workers; and

WHEREAS, Historic investments made through the President's American Rescue Plan Infrastructure Investment and Jobs Act, CHIPS and Science Act and Inflation Reduction Act will ensure small businesses have access to federal capital support, technical assistance, contracting opportunities, and other resources to help lead the way as we rebuild America's roads and bridges and build a clean energy economy for the future; and

WHEREAS, When we support small businesses, jobs are created, and local communities preserve their unique culture; and

WHEREAS, According to the 2022 Annual Small Business Report prepared by Empire State Development, small businesses continue to be a significant economic driver in New York State with an estimated 98 percent of New York businesses having fewer than 100 employees and which employ 39 percent of the workforce; and

WHEREAS, Nearly 63% of all businesses in New York are categorized as small and 335,000 New York businesses have fewer than 5 employees.

WHEREAS, The Upstate New York District offices of the U.S. NY Small Business Association facilitated over 580 loans in Fiscal Year 2023, with a value over \$240 million dollars; and

WHEREAS, The 2024 New York Small Business Person of the Year Winner was Aneesa Waheed, owner of Schenectady's Moroccan Restaurant, Tara Kitchen and The 2024 New York Woman-Owned Small Businessperson of the Year was Denise Padula, President of the Alchar Printing Group, located in Troy, NY who exemplifies excellence and innovation and significant impact on the Capital Region communities and their economy; and

WHEREAS, New York State continues to actively support minority and women-owned business enterprises and veteran-owned and service-disabled veteran-owned businesses; and

WHEREAS, Small businesses of all kinds, from family-owned restaurants and farmers markets to antique stores and landscapers, are crucial to the health of our communities and to the State's economy overall, but have been greatly tested during these past few years; and

WHEREAS, The innovation, diversity, competitive strength, job creation, and quality of life that small businesses bring to our economy are vital elements for our State's long-term economic health; and

WHEREAS, The entrepreneurial spirit of New York residents has led to the creation and growth of emerging agricultural industries in New York, such as craft beverages, artisanal foods, and the production of hemp, hops and adult-use cannabis; and

WHEREAS, Small businesses showed great ingenuity and resilience by adapting quickly to pandemic related restrictions and weathered economic hardship; and

WHEREAS, The future welfare of our State depends on the continued development of small businesses; and

WHEREAS, By renewing our commitment to supporting small businesses, we can maintain our global competitiveness and build a stronger Nation where everyone can succeed; and

WHEREAS, When we join National Small Business Week, celebrated since 1963, we join in our country's recognition of the contributions of small businesses to the American economy and their importance in ensuring our local communities remain as vibrant as tomorrow as they are today; and

WHEREAS, The members of the New York State Assembly wish to proclaim their recognition of small businesses as a crucial element in the economy of New York State; now, therefore, be it

RESOLVED, That this Legislative Body pause in its deliberations to memorialize Governor Kathy Hochul to declare April 28-May 4, 2024, as Small Business Week in the State of New York; and be it further

RESOLVED, That a copy of this Resolution, suitably engrossed, be transmitted to The Honorable Kathy Hochul, Governor of the State of New York.